

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 51049 10081 Mine Name Talons Cove Pit
Operator _____ Date _____
TO _____ FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☒ Internal ☐ Superceded
Retiring SMD 2015-09212015

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2015-09212015

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2015-09212015

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____



50490087
Task ID# 668
cc: April

August 19, 2015

TM Crushing LLC
Attn: Nick Baird
PO Box 437
Lehi, Utah 84043

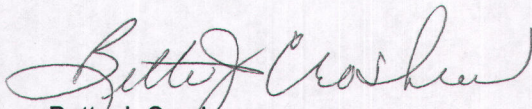
Re: Reclamation Bonds

Dear Nick:

At this time you have two reclamation bonds for the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining. The two bond numbers are ' [redacted] for \$435,000.00. the other bond is [redacted] for \$26,700.00. It is my understanding that these two bonds will be combined and the new amount for bond number ([redacted] will be in the amount of \$1,800,000.00. Please have DOGM release bond number [redacted] for \$26,700.00.

Thanks for your help in this matter.

Best to you,


Bette J. Croshaw
Sr. Account Manager

*Tom said they will
cancel bond # [redacted]
BPC*

An Assurex Global Partner

P.O. Box 58139, Salt Lake City, Utah 84158-0139

101 South 200 East, Suite 300, Salt Lake City, Utah 84111 • Phone: 801-531-1234 • Fax: 801-531-6117 • www.moreton.com

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACT

RECEIVED

FEB 10 2015

DIV. OF OIL, GAS & MINING

Name of Operator: TM Crushing LLCPermit Number: S/049/0081Mine Name: Talcon's Cove PitPhone Number: 801-403-2707

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☒ Increase
☐ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☒ Other

Explain: Operator provided a surety rider increasing the bond

Surety Dollar Amount Associated With This Action: \$409,900.00

Surety Aggregate Amount: \$435,000.00

Included in this modification (surety must be attached)

Instrument(s):

<input checked="" type="checkbox"/> Corporate Surety	<input checked="" type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain:

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Nick Baird
Authorized Officer Signature Printed

OPERATIONS MANAGER
Title Date 2/5/15

John R. Baza
Division Director John R. Baza
Utah Division of Oil, Gas and Mining

2/18/15
Date

FACT SHEET

Commodity: SAND AND GRAVEL

Mine Name: TALONS COVE

Permit Number: S/049/0081

County: UTAH

Disturbed Acres: ≈ 91 ACRES

Operator Name: JM CRUSHING LLC

Operator address: 1850 N 1450 W, LEHI UTAH 84043

Operator telephone: 801-766-7611

Operator fax: 801-766-7604

Operator email: NBAIRD@HADDONCONSTRUCTION.COM

Contact: NICK BAIRD

Surety Type: INCREASE, SURETY RIDER,

Held by (Bank/BLM): _____

Surety Amount: 409,900 => 435,000

Surety Account Number: #

Escalation Year: _____

Tax ID or Social Security (for cash only): NA

Surface owner: _____

Mineral owner: _____

UTU number: _____

Acres: ≈ 91 ACRES

RECEIVED
FEB 10 2015
DIV. OF OIL, GAS & MINING

Mine Name:

Other Agency File Number:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

---ooOoo---

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between TM Crushing, LLC. the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. 50490081 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling

ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
 - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
 - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
 - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
 - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation

obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

TM Crushing, LLC
Operator Name

By [Signature] John D. Hadfield
Authorized Officer (Typed or Printed)

Manager
Authorized Officer - Position

[Signature] 10-22-2010
Officer's Signature Date

STATE OF Utah)

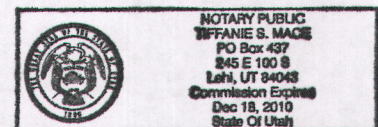
) ss:

COUNTY OF Utah)

On the 22nd day of October, 20 10, John D Hadfield personally appeared before me, who being by me duly sworn did say that he/she is an Manager (owner, officer, director, partner, agent or other (specify)) of the Operator TM Crushing, LLC and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

[Signature]
Notary Public
Residing at Lehi, Utah

Dec 18, 2010
My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

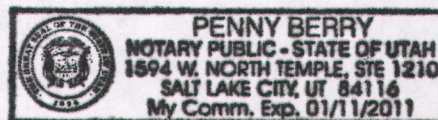
11/4/2010
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 4 day of November, 2010, John R. Baza
personally appeared before me, who being duly sworn did say that he, the said
John R. Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.

Penny Berry
Notary Public
Residing at: Salt Lake

1/11/2011
My Commission Expires:



FACT SHEET

Commodity: Rock, Aggregate

Mine Name: Talon's Cove Pit

Permit Number: 5/049/0081

County: Utah

Disturbed Acres: 5

Operator Name: TM Crushing

Operator address: PO Box 437 Lehi UT 84043

Operator telephone: 800-766-7611

Operator fax: 801-766-7604

Operator email: sroberts@Hadcoconstruction.com

Contact: Scott Roberts

Surety Type: surety bond

Held by (Bank/BLM): Western Surety Co.

Surety Amount: \$25,100

Surety Account Number:

Escalation Year: 2015

Tax ID or Social Security (for cash only):

Surface owner: Fee

Mineral owner: Fee

UTU and/or ML number:



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 26, 2015

Certified Return Receipt
7013 2250 0000 2309 2686

Nick Baird
TM Crushing
1850 North 1450 West
Lehi, Utah 84043

Subject: Directive to Submit Large Mine Plan, TM Crushing, Talons Cove Pit, M/049/0091, Utah County, Utah

Dear Mr. Baird:

Thank you for submitting the required surety in the amount of \$435,000.00 for the Talons Cove Pit mine. This reflects the existing disturbance created by the Talons Cove mining operation M/49/0091, and it will likely need to be adjusted when the Notice of Intention to Commence Large Mining Operations (LMO) is approved.

The Notice of Intention to Commence Small Mining Operations (SMO) for the Talons Cove Pit, S/049/081, was approved in November 2010 for five acres, but it has expanded to approximately 92 acres. A second SMO for the Talons Cove Ph. 2 Allred Pit, S/049/0087, was approved in February 2012. The Division holds a reclamation surety in the amount of \$26,700.00 for this site. These funds may be transferred and applied to the proposed large mine permit M/49/0091. These two small mine permits will be retired once the LMO is approved and the appropriate surety amount is posted.

Please submit the revised LMO for the Talon's Cove large mine permit no later than March 26, 2016. At that point, the Division will review it for completeness.

Please contact April Abate at 801-538-5214 or me at 801-538-5261 if you have questions about this directive. Thank you for your cooperation.

Sincerely,

Paul Baker
Minerals Program Manager

PBB:pb

Cc: Peggy Kelsey, Utah County (peggyk@utahcounty.gov)

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GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 18, 2015

Scott Roberts
TM Crushing LLC
1850 North 1450 West
P.O. Box 437
Lehi, Utah 84043

Subject: Copy of the Modification of Attachment A to the Reclamation Contract, TM Crushing LLC, Talcon's Cove Pit, S/049/0081, Utah County, Utah

Dear Mr. Roberts:

On February 10, 2015 the Division received the signed Modification of Attachment A to the Reclamation Contract (MA-RC) from TM Crushing LLC. Our Director signed the MA-RC on February 18, 2015. Enclosed is a copy for your records.

If you have any questions please call 801-538-5291 or email pennyberry@utah.gov.
Thank you.

Sincerely,

Penny Berry
Bond Coordinator

PB





GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 21, 2015

Scott Roberts
TM Crushing LLC
1850 North 1450 West
P.O. Box 437
Lehi, Utah 84043

Subject: Modification of Attachment A to the Reclamation Contract and Fact Sheet, TM Crushing LLC, Talcon's Cove Pit, S/049/0081, Utah County, Utah

Dear Mr. Roberts:

On January 20, 2015 the Division received your surety rider for bond number [REDACTED] increasing the amount to \$435,000.00.

Please sign the Modification of Attachment A to the Reclamation Contract and complete the Fact Sheet.

Please return these documents to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email pennyberry@utah.gov. Thank you for your attention in this matter.

Sincerely,

Penny Berry
Bond Coordinator
Minerals Program

PB

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: TM Crushing LLCPermit Number: S/049/0081Mine Name: Talcon's Cove PitPhone Number: 801-403-2707

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☒ Increase
☐ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☒ Other

Explain: Operator provided a surety rider increasing the bond

Surety Dollar Amount Associated With This Action: \$409,900.00

Surety Aggregate Amount: \$435,000.00

Included in this modification (surety must be attached)

Instrument(s):

<input checked="" type="checkbox"/> Corporate Surety	<input checked="" type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other
Explain:	

**Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below**

Authorized Officer Signature

Printed

Title

Date

Division Director John R. Baza
Utah Division of Oil, Gas and Mining

Date